

DRAFT OF RULES AND REGULATIONS,

PRESENTED BY

COMMITTEE ON AMENDMENTS.

APRIL 30th, 1858.

NAME.

CHAP. I.

SECTION 1.—For the convenience and facility of management, the Association shall be called and known by the name of the "Society of Underwriters" for the City of Saint John.

SECTION 2.—It is most distinctly understood and agreed upon by the members of this Society, that nothing in these regulations, nor the associating together, shall be construed or taken to mean, in any degree, that there exists a partnership, or that the members are co-partners in any degree whatsoever; these Rules and Regulations being adopted for the purposes only of economy, and having uniformity between the several members of this Society in the mode of conducting Insurance business, fixing rates of premiums, &c., &c.

SECTION 3.—Each member shall be individually liable for the amount or amounts that he shall from time to time, either by his own proper signature, or by his attorney, underwrite, or any policy or policies, at the premiums that may be received or earned shall appear to his individual credit on the books of the Society.

MEETINGS.

CHAP. II.

SECTION 1.—The regular Meetings of the members of the Society shall be held Quarterly, viz:—On the last days of January, April, July, and October, in each year, at the Office of the Secretary, between the hours of 10. A. M., and 8, P. M. In case the last day of any of these months should fall on Sunday, then the meeting to be held on the following Monday.

SECTION 2.—Special meetings shall be called at any time by the Secretary, as follows :—

On a requisition signed by not less than five members, requiring such Meeting to be convened, and such requisition to state the object of calling such Meeting ;

Or, By the direction of the Chairman, at any Quarterly Meeting being authorised so to do by a resolution passed at such Meeting.

Or, In all cases where a protest against the payment of a claim be handed in as hereinafter mention in Chapter III., Section 4 ; except when a regular Meeting will take place within ten days after such protest shall have been handed in ;

Or, By direction of the Quarterly Committee.

SECTION 3.—Notice in writing of such Special Meeting shall be given by the Secretary to each member, at least twenty-four hours previous to the time of Meeting, and such notice shall also specify the particular business for which the meeting is called.

SECTION 4.—That at a Special Meeting no other business shall be transacted than that specified in the notice.

SECTION 5.—At each quarterly or special Meeting a Chairman shall be appointed, and all members shall be eligible therefor ; except members of the Quarterly Committee, and Committee of Audit.

SECTION 6.—The order of business at Quarterly Meetings shall be as follows :—

1. Appointment of Chairman.
2. Reading minutes of previous Meetings.
3. Report of Quarterly Committee.
4. Report of Secretary and Committee of Audit.
5. Reports of other Committees.
6. Proposals for Memberships.
7. Election of Members.
8. Election of Quarterly Committee.
9. Election of Committee of Audit.
10. Election of Secretary.
11. Deferred Business.
12. General Business, &c., &c.

SECTION 7.—Ten members shall constitute a quorum for the transaction of business at Quarterly and Special Meetings.

SECTION 8.—Each member shall have one vote, and all questions shall be decided (unless otherwise provided for) by a majority of members present, or represented by proxy.

MANAGEMENT.

CHAP. III.

SECTION 1.—At every Quarterly Meeting there shall be elected, by ballot, a Committee of five members, who shall have general superintendence and management of the affairs and business of this Society, in conformity with these Rules and Regulations.

SECTION 2.—The Committee, or any two thereof, shall have power to mark the rates of premiums on applications for Insurance, and decline such risks as they may think proper, but no member of the Committee shall mark the rate of premium, or authorize any risk to be taken, or any application for Insurance where he is the applicant, or interested therein.

SECTION 3.—The Committee shall have power to effect re-insurance on any policy or policies of insurance signed by members of this Society, or their attorney, in such cases where they may deem it for the interest of the insurers to have such re-insurance effected.

SECTION 4.—The Committee shall have power to make orders for payment of all claims for losses, and effect compromises for claims for loss in accordance with the terms of the policy or policies; unless a written notice protesting against the same, signed by not less than five members who shall be underwriters on such policy or policies be given to the Secretary within ten days after such claim or claims shall have been allowed by the Committee, when such claim or claims shall be submitted to the decision of a majority of members present, or by proxy, at a quarterly or special meeting, which decision shall be binding on all the members or underwriters interested therein.

SECTION 5.—The Committee shall see that all premiums received for Insurance, and all monies belonging to the members of this Society, either in cash or notes, be deposited in one of the incorporated Banks in this City, in the name of the Society, and which shall not be withdrawn in any case except by check or order signed by the Secretary, and countersigned by two members of the Committee.

SECTION 6.—The Committee shall appoint their own Chairman, and in case of death, resignation, or an absence of any member of the Committee of more than thirty days from the City, shall fill the vacancy.

SECTION 7.—At each quarterly meeting there shall also be elected, by ballot, three members to audit the accounts of the Secretary prior to being submitted to the Quarterly Meeting. No member of the Quarterly Committee shall be eligible for election.

SECTION 8.—The Committee shall have absolute control over all the financial operations of the Society, and all notes, monies, funds, and other properties of the Society shall be subject to their disposal; but they shall have no authority to declare any dividend before the risks shall have been determined, and all losses and claims settled in each year, except by a unanimous vote of the Committee for the time being.

SECRETARY.

CHAP. IV.

SECTION 1.—The Secretary shall be elected annually, by ballot, at the Quarterly Meeting in January, and no member of this Society shall be eligible therefor.

SECTION 2.—Notice of the appointment or election of a Secretary shall be published in two or more newspapers printed in the City of St. John, at least three weeks successively after the meeting at which such appointment or election was made.

SECTION 3.—In case of the sickness, death, resignation, or absence from the City, of the Secretary, without leave of the Quarterly Committee, they shall appoint a person to act *pro tempore*, until a special meeting shall be called for the election of a new Secretary as soon after as possible.

SECTION 4.—The Secretary shall not be absent from the City without the consent of the Quarterly Committee, and before leaving he shall appoint a substitute, pursuant to the power given him by his letters of attorney; but such substitute shall have no authority to act, or sign policies, until he shall have been approved by the Quarterly Committee.

SECTION 5.—It shall be the duty of the Secretary to receive all applications for insurance, submit the same to the Quarterly Committee, and, when the risk shall have been approved, and the rate of premium marked, make out and execute as Attorney, and attest as Broker, all policies of insurance, keep the books and accounts,

transact the business, and conduct the correspondence of the Society, under the direction of the Quarterly Committee, and shall also, on the election of any person to be a member of this Society, notify him thereof, and furnish him with a copy of the Rules.

SECTION 6.—The Secretary shall prior to each Quarterly Meeting, make a correct statement up to the fifteenth days of January, April, July, and October respectively, of the affairs and business of the Society, which statement shall specify the aggregate amount of the notes taken, premiums earned, losses paid or incurred at that date, and after it shall have been audited by the Committee of Audit, submit the same to the Quarterly Meeting.

SECTION 7.—That at the quarterly meeting in January the Secretary shall submit a general report of the business of the past year, containing an addition to a summary of the quarterly statements, an account of the expenses and disbursements of the Society, and the amount of the funds, cash, notes, and property of the Society, and also furnish to each member within thirty days of such meeting a statement of his individual account.

SECTION 8.—The Secretary shall lay before the Quarterly Committee, at least once a week, a statement of notes and monies received by him during the week, and lodged in the Bank, and which statement shall be initialed by some officer of the Bank.

MEMBERS.

CHAP. V.

SECTION 1.—Any person wishing to become a member shall be admitted by ballot at a regular or special meeting, (three black balls to exclude) having been proposed and seconded at the last regular or special meeting, and, unless he shall, within three months after notification of such admission, sign these Rules, the said admission shall become inoperative, and such person shall be ineligible for membership for six months thereafter, unless satisfactory reasons be assigned for not signing.

SECTION 2.—Each member shall give the Secretary a power of attorney authorizing him to make insurance on such risks as the Quarterly Committee may approve, not exceeding one hundred pounds each on any one vessel, her cargo and freight, and with power one or more attorneys under him to appoint with the sanction

of the Quarterly Committee; but nothing in these rules is to be construed to prevent members underwriting the same risks for a larger amount on a special policy.

SECTION 3.—Members shall have, in office hours, except during the meeting of the Quarterly Committee, free access to all books, papers, correspondence, &c., in the possession of the Secretary belonging to the Society.

SECTION 4.—Any member withdrawing from this Association shall not be at liberty to withdraw from the funds any premiums or monies that shall appear to his credit on the books, until all the policies on which he shall have underwritten shall have been determined, expired, cancelled; or re-insured.

SECTION 5.—Any member may vote by proxy at all meetings of the Society (unless otherwise provided) such proxy to be a member, and, previous to voting, produce a sufficient authority in writing from his constituent or constituents so to act, such authority to be lodged with the Secretary prior to the meeting.

SECTION 6.—No member shall be at liberty at any time to withdraw any premiums or monies that may be to his credit, and received for risks undetermined and outstanding.

SECTION 7.—The Secretary may be authorized to strike the name of any member from the books of the Society by a two-thirds vote of the members present at a regular or special meeting: provided one-half the members of the Society be present at such meeting, and notice of motion for such expulsion be given in the notice for calling such meeting.

SECTION 8.—When any member shall be, in the opinion of the Quarterly Committee, in a state of insolvency or bankruptcy, they shall direct the Secretary, as the attorney of such member, to cease using his name as an Underwriter, and if such member shall have sufficient premiums to his credit, it shall be the duty of the Committee to re-insure all risks outstanding or policies executed by such member or his attorney, and charge the premium for such re-insurance to the account of such member.

SECTION 9.—The Secretary shall forthwith give notice of the action of the Quarterly Committee to such member, and unless he shall, within ten days after the receipt of such notice, lodge with the Secretary a protest against such action, it shall be conclusive and binding upon him.

SECTION 10.—In case of such protest being lodged, it shall be the duty of the Quarterly Committee to direct the Secretary to call a special meeting and notify such member thereof, and the decision of a majority of the members present shall be final.

SECTION 11.—No member shall acknowledge his liability to pay any claim on any policy or policies issued by the Society, without the consent of the Quarterly Committee.

POLICIES.

CHAP. VI.

SECTION 1.—No policy shall be valid, unless, after execution thereof by the members or their attorney it shall be countersigned or approved by two of the Quarterly Committee.

SECTION 2.—The Quarterly Committee shall have power, from time to time, to make alterations in the form of policy to be issued by the Society, and where such alteration is intended to be permanent, they shall report the same at the next regular meeting for approval.

SECTION 3.—In all policies issued under these Rules, there shall be printed on the back thereof the following extracts from these Rules, viz :—Section second of Chapter first; Section eighth of Chapter fifth, and the first Section of this Chapter.

BOOKS, ETC.

CHAP. VII.

SECTION 1.—The Books, Papers, Correspondence, &c., of the Society shall be under the control of the Quarterly Committee, who shall have power from time to time to take them from the Secretary and entrust them to the custody of such person or persons as they may select.

PAYMENT OF PREMIUMS.

CHAP. VIII.

SECTION 1.—The premiums shall be settled according to the following scale :—

Under £10, in Cash.			
Over £20, and under £25,	Three Months Credit.		
Over £25, and under £50,	Four	do.	do.
Over £50,	Six	do.	do.

To be secured by endorsed notes approved by the Quarterly Committee.

AMENDMENT.

CHAP. IX

SECTION 1.—These Rules and Regulations shall not be amended, added to, or altered in any respect, unless two-thirds of the members present, or represented by proxy, of whom the Chairman may be one, shall agree so to do, and no resolution affecting such amendment, addition, or alteration, shall be entertained at any meeting, unless notice of the nature of such amendment, addition or alteration shall be given at a regular meeting previous to the consideration thereof, and also posted up at least ten days prior to its consideration, in the office of the Secretary.

T. E. G. TISDALE,
CHARLES W. WELDON, } *Committee.*
JOEL READING.